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REC'D TN  
REGULATORY AUTH.

 **BELLSOUTH**

99 AUG 16 PM 4 04

Guy M. Hicks  
General Counsel

August 16, 1999

EXECUTIVE SECRETARY

VIA HAND DELIVERY

David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Proceeding for the Purpose of Addressing Competitive Effects of Contract Service Arrangements Filed by BellSouth Telecommunications, Inc. in Tennessee*  
Docket No. 98-00559

Dear Mr. Waddell:

During the pre-hearing conference of this matter, the Hearing Officer suggested that BellSouth provide the parties to this proceeding copies of the tariff sections referenced at pages 15 and 16 of Mr. Frame's direct testimony. BellSouth, therefore, is providing the Authority and all counsel of record with copies of those tariff sections.

Very truly yours,



Guy M. Hicks

GMH:ch  
Enclosure

**SECTION 4- END USER NETWORK ACCESS SERVICES****4.4 LATA Calling Services****4.4.1 Description**

LATA Calling Services allow for the origination from listed exchanges and termination of calls within local and toll calling areas as defined below. Local and Toll calling plans are provided in conjunction with connection to the Company's network via the access lines listed:

PrimePath Service  
PrimeXpress Network Service  
PrimeNBX Service  
PrimePath NBX Service

(N)

**4.4.2 Timing of Messages**

- A) Unless otherwise indicated, all calls are timed in 6 (six) second increments following the first 18 (eighteen) seconds.
- B) For station to station calls, call timing begins when a connection is established between the calling telephone and the called telephone station.
- C) For person to person calls, call timing begins when connection is established between the calling person and the particular person, station or mobile unit specified or an agreed alternate.
- D) Call timing ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released either by automatic timing equipment in the telephone network or by the Company operator.
- E) Calls originating in one time period and terminating in another will be billed the rates in effect at the beginning of six second increments.

**Time of Day Designations**

Day Hours: 8:00am to 5:00pm  
Evening Hours: 5:00pm to 11:00pm  
Night Hours: 11:00pm to 8:00am and Weekends

## **SECTION 4- END USER NETWORK ACCESS SERVICES**

### **4.4 LATA Calling Services (Cont'd)**

#### **4.4.3 Local Calling**

##### **A) Rating of Calls**

Local Calling is billed on a flat rated basis. Rates for PrimePath Business Lines, PrimeXpress Network Service, PrimeNBX Service, and PrimePath NBX lines include Local Calling Service. (T)

##### **B) Exchange Areas**

An exchange is a geographically defined area established by the Company for the administration of telecommunications service. TCG Midsouth, Inc. will provide Local and IntraLATA calling capability in the Nashville, Chattanooga and Knoxville metropolitan areas consistent with the local calling areas as defined by BellSouth.

#### **4.4.4 IntraLATA Toll Service**

IntraLATA toll service is furnished for telephone communication between telephones in different local calling areas within the same LATA in accordance with the regulations and schedules of charges specified in this tariff. A LATA is an area defined in the Modification of Final Judgement entered by the United States District Court for the District of Columbia in Civil Action No. 82-0191.

The toll service charges specified in this section are in payment for all service furnished between the calling and called telephone, except as otherwise provided.

##### **A) Rating of Calls**

Rating of IntraLATA toll calls is based on the duration of the call. Call duration is based on regulations found in Section 4.4.2. IntraLATA rates between points are based on the airline distance between rate centers. In general, each point is designated as a rate center; certain small towns or localities are assigned adjacent rate centers with which they are closely associated for communication purposes or by community of interest.

IntraLATA calling is offered by the Company to business Customers under the retail product name "PrimePlus".

**4.4 LATA Calling Services (Cont'd)****4.4.4 IntraLATA Toll Service (Cont'd.)****B) Rates (Cont'd.)****1) PrimePlus (Standard Business Lines)**

	<u>1<sup>st</sup> 18 Seconds</u>	<u>Additional 6 Seconds</u>	(C)
Base Rate	\$0.0273	\$0.0091	(C)

**2) PrimePlus Usage Discount**

Customers who commit to 1, 2, or 3 year term commitments are eligible to receive the discounts shown below on their PrimePlus usage charges. Discounts are calculated based on the term commitment and are applied to the total amount of qualifying revenue in a billing period.

At the end of the Customer's term commitment, the Customer will convert to month-to-month pricing at tariff rates in effect at that time. For services requiring a one-year term commitment, the Customer will receive one-year term rates at tariff rates in effect at that time unless the Customer notifies the Company in writing thirty (30) days prior to the expiration of the Customer's term plan of their intent to discontinue service.

Customers who discontinue service prior to the end of their term commitment will be assessed an early termination charge equal to their average monthly usage charges times the number of months remaining on their term commitment. The average monthly usage will be determined by calculating the Customer's PrimePlus usage charges for the first six full months of service and dividing by six. If the Customer has been in service less than six months, the average monthly usage will be determined by calculating the Customer's total usage charges and dividing by the number of months the Customer has been in service. Customers may discontinue service prior to the end of their term commitment without liability if they migrate to another Company local service offering with a term commitment equal to or greater than their current term commitment. Customers whose PrimePlus monthly usage exceeds \$100,000.00 will not be eligible for discounts under this plan.

	Term Commitments		
	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
Usage Discount	8%	10%	12%

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SECTION 4- END USER NETWORK ACCESS SERVICES4.4 LATA Calling Services (Cont'd)

## 4.4.4 IntraLATA Toll Service (Cont'd.)

## B) Rates (Cont'd.)

## 3) PrimePlus Usage Discount (Cont'd)

Customers who discontinue service prior to the end of their term commitment will be assessed an early termination charges as specified in Section 3.17. Customers may discontinue service prior to the end of their term commitment without liability if they migrate to another Company service offering with a term commitment equal to or greater than their current term commitment. Current Customers may migrate from their existing discount plan to PrimePlus Usage Discount Plan without liability. Customers whose PrimePlus monthly usage exceeds \$100,000.00 will not be eligible for discounts under this plan.

	Term Commitments		
	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>
Usage Discount	8%	10%	12%

(N)

(N)

**SECTION 4- END USER NETWORK ACCESS SERVICES****4.7 PrimeXpress Network Service****4.7.1 Description**

PrimeXpress Network Service is a digital service providing trunk connections from an end user's Private Branch Exchange, Key System, or other device to the TCG Switch Port. PrimeXpress Network Service is available as a DS1 (1.544 Mbps) connection providing 24 voice-grade (DS0) communications channels. PrimeXpress Network Service is available on a 1, 2 or 3 year term commitment.

The Customer may opt to utilize PrimeXpress Network Service for outgoing calls only (DOD), incoming calls only (DID) or a combination of both inbound and outbound calls. When the Customer elects to utilize PrimeXpress Service for both inbound and outbound calls, they may choose Combo service which allows incoming calls to an attendant only or they can elect to utilize DID/DOD service which allows incoming calls to be terminated directly to an End User behind a PBX or capable Key System. When DID or DID/DOD service is ordered, direct inward dialing (DID) numbers must be purchased from the Company.

PrimeXpress Network Service trunks configured for Inbound and Outbound calling functionality that, upon detection by The Company, exceed 90% utilization for inbound calling will be subject to the rates, terms and conditions for the High Volume Inbound Calling option listed below.

**High Volume Inbound Calling Option**

PrimeXpress Network Service can be configured to support high volumes of inbound calling. The High Volume Inbound Calling option is not available with wink start signaling. This option will support a maximum of two rate centers per facility or trunk group within the TCG-designated service area. Rates for the High Volume Inbound Calling Option are listed in Section 4.7.2 following.

Per subscribed Rate Center, the Customer is required to subscribe to a sufficient number of trunks so as to not degrade the TCG network below an incoming call completion rate of 99%. The call completion rate is based on an average of the busy hours occurring during the Customer's busiest hours during the billing cycle. Once the service has been established, the Company may require the Customer to increase the number of PrimeXpress Network trunks to satisfy the call completion criteria listed above. Subject to the availability of facilities, Customers may request the High Volume Inbound Calling Option to be provisioned from a Rate Center other than that normally assigned by the Company. Rates for this arrangement will be done on an Individual Case Basis.

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By: Carolyn Heath, Regulatory Analyst  
Teleport Communications Group  
One Teleport Drive, Suite 300  
Staten Island, NY 10311

**4.7 PrimeXpress Network Service - (Cont'd.)****4.7.2 Rates****A) DOD or Combo Trunks with Flat Rate Local Calling**

Non-Recurring Installation: \$1200.00 per DS1 Facility

Monthly Recurring:

1 Year Term \$925.00 per DS1 Facility  
2 Year Term \$905.00 per DS1 Facility  
3 Year Term \$885.00 per DS1 Facility

(R)

(R)

**B) DID or DID/DOD Trunks**

Non-Recurring Installation: \$1200.00 per DS1 Facility

(N)

Monthly Recurring:

1 Year Term \$1,110.00 per DS1 Facility  
2 Year Term \$1,085.00 per DS1 Facility  
3 Year Term \$1,060.00 per DS1 Facility

(N)

**DID Numbers:**

Initial block of 20 numbers: \$3.05 per block per month (I)  
Additional block of 10 numbers: \$1.55 per block per month (C)

**C) High Volume Inbound Calling Option**

Non-Recurring Installation: \$1200.00 per DS1 Facility

Monthly Recurring: \$2200.00 per DS1 Facility

**4.7.3 Termination Liability**

Upon the Customer's discontinuance of PrimeXpress facilities prior to the expiration of the agreed upon term, the termination liability with regard to facilities will be equal to the monthly charge times the number of months remaining on the contract - discounted for present value of 6%.

**REGULATIONS**

**2.7 Cancellation of Service/Termination Liability**

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in Section 2.6.1), Customer agrees to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in Section 2.5.2.

**2.7.1 Termination Liability**

Customer's termination liability for cancellation of service shall be equal to:

- A) all unpaid Non-Recurring charges reasonably expended by Company to establish service to Customer, plus;
- B) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- C) all Recurring Charges specified in the applicable Service Order for the balance of the then current term discounted at a rate determined by the Tennessee Regulatory Authority;
- D) minus a reasonable allowance for costs avoided by the Company as a direct result of Customer's cancellation.



LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.4 Local Trunk-2 Way Direct

Provides the customer with a two-way direct dial digital or analog connection which can carry both inbound and outbound traffic and the ability to route a block of numbers to a trunk group, receive outpulsed digits on calls incoming through that trunk group and make outgoing calls using the same trunks.

3.1.4.1 2 Way Direct Dialing Numbers

Telephone numbers can be obtained in blocks of 20 numbers. Non-Recurring Charges and monthly recurring charges will apply, as specified Sections 3.1.3.2.3.1 and 3.1.3.2.3.2.

3.1.4.2 2 Way Direct Rates and Charges

A Customer who orders a Local Trunk will be charged applicable Non-Recurring Charges and monthly Recurring Charges as specified in Sections 3.1.3.2.3.1 and 3.1.3.2.3.2.

3.1.4.3 Features:

3.1.4.3.1 Standard Features

Touchtone  
Calling Number Delivery  
Blocking(Selective)  
Hunting (Circular, Sequential, and  
Uniformed Call Distribution)

N

3.1.4.3.2 Optional Features:

	<u>Charge</u>
Interim Number Portability (ILNP)	\$ 0.00
Calling Number Delivery Blocking (Complete)	\$ 0.00
Digital Interface	\$ 0.00

N

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.5 Usage Rates: All Local Exchange Service Customers may order service on a per minute or per call usage basis as stated below. These rates will apply to all outgoing direct-dialed calls placed to Stations within the caller's local exchange area, as defined herein. If the computed charge includes a fraction of a cent, the fraction is rounded to the nearest whole cent.

3.1.5.1 Per Minute Usage Rate: The following rates will be applied on a per minute basis. Peak rates will apply from 8:00 a.m. through 5:00 p.m. Monday through Friday. Off-Peak rates will apply at all other times.

<u>Peak</u>		<u>Off-Peak</u>	
<u>First</u>	<u>Additional</u>	<u>First</u>	<u>Additional</u>
<u>Minute</u>	<u>Minute</u>	<u>Minute</u>	<u>Minute</u>
\$0.026 I	\$0.026 I	\$0.014 I	\$0.014 I

3.1.5.2 Per Call Usage Rate: The following rate will be applied on a per call basis, regardless of the duration of the call:

Per Call

\$0.12 I

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plan (Cont'd)

3.1.6.1 Local Service Term Plan 1/ 2/

Customers who subscribe to facilities based Local Exchange Service and enroll in a Local Service Term Plan are eligible to receive the discounts described below on specific monthly recurring and usage charges based on the customer's term commitment. The customer must commit to service for a term of either one, two, three, four or five years. The term of the Local Service Term Plan will commence no earlier than the first of the next billing month in which the customer subscribes to the plan. The customer will receive the following discounts in lieu of all other discounts or promotions except for the Local Customer Assurance Promotion on the following recurring charges: Local Line, Local Trunk-Basic, Local Trunk-DID, Local Trunk - 2 Way Direct, ISDN Primary Rate Interface Local (ISDN PRI), DID/2 Way Direct numbering charges, and usage charges.

<u>Term Commitment</u>	<u>Discount</u>
1 year	10%
2 years	15%
3 years	20%
4 years	20%
5 years	20%

A plan will automatically renew for an equivalent term unless the customer provides written notification to cancel the MCI Local Service Term Plan. This notice must be received by MCI no more than 30 days prior to the expiration of the term plan.

1/ Beginning November 6, 1997 the terms and conditions of this program will only be available for those customers subscribing to a Special Customer Arrangement offered by MCI Telecommunications Corporation.

2/ Beginning December 19, 1998, this plan will no longer be available to new subscribers.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plan (Cont'd)

3.1.6.1 Local Service Term Plan (Cont'd)

Cancellation or Discontinuance with Liability: Discontinuance of all Local Services furnished under the Local Service Term Plan prior to the expiration of the Committed term constitutes discontinuance of the plan and the customer will be billed and required to pay an early termination charge. The early termination charge will be equal to the customer's highest billed monthly charges incurred during the length of the term commitment multiplied by the number of months remaining in the customer's term plan.

For customers that have enrolled in a networkMCI One long distance term plan or special customer arrangement offered by MCI Telecommunications Corporation, the customer's term length may be coterminous with the networkMCI One or special customer arrangement term of service. Accordingly, the customer's actual term may be of a shorter duration than the term commitment selected above. If the customer selects a term commitment greater than the term of service of the networkMCI One or special customer arrangement, the cotermination provision shall not apply.

For those customers who subscribe to a networkMCI One term plan or special customer arrangement, the early termination charges associated with that term plan or special customer arrangement will apply in lieu of the charges specified above. In addition, customers will be required to repay any credits received as a result of enrolling in the term plan.

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LOCAL EXCHANGE SERVICE

3.1 Service Decsriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plan (Cont'd)

3.1.6.1 Local Service Term Plan (Cont'd)

Cancellation or Discontinuance without Liability:

A customer can terminate a term plan without liability  
if the customer enrolls in a new term plan with an expiration  
date later than the current term plans expiration date.

Customers signing a networkMCI One Term agreement and  
integrating their facilities based Local Exchange Service  
can terminate their local term plans at anytime without penalty.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.6.2 Local Exchange Service Term Plan 2 1/

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A Customer who subscribes to facilities based, stand alone Local Exchange Service and enrolls in a Local Service Term Plan is eligible to receive the discounts described below on specific monthly recurring and usage charges, based on the customer's term commitment. The customer must commit to service for a term of one, two, or three years. The term of the Local Service Term Plan will commence no earlier than the first day of the next billing month in which the customer subscribes to the plan. The Customers subscribing to this term plan will receive the following discounts in lieu of all other discounts or promotions, unless the promotion specifies otherwise. The discounts will be applied to the following recurring charges: Local Line, Local Trunk-Basic, DID/ 2 Way Direct numbering charges, Local Trunk-DID, Local Trunk - 2 Way Direct, Local ISDN -PRI, as well as local service usage charges.

<u>Term Commitment</u>	<u>Discount</u>
One Year	5%
Two Year	10%
Three Year	15%

A plan will automatically renew for an equivalent term unless the customer provides written notification to cancel the MCI Local Service Term Plan. This notice must be received by MCI no more than thirty (30) days after the expiration of the term.

1/ Beginning December 19, 1998, this plan will no longer be available to new subscribers.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.6.2 Local Exchange Service Term Plan 2 (Cont.)

✓ Cancellation or Discontinuance with Liability: Discontinuance of all Local Services furnished under the Local Service Term Plan prior to the expiration of the committed term constitutes discontinuance of the plan and the customer will be billed and required to pay an early termination charge. The early termination charge will be equal to the customer's highest billed monthly charges incurred during the length of the term commitment multiplied by the number of months remaining in the customer's term plan.

Cancellation or Discontinuance without Liability: A customer can terminate a term plan without liability if the customer enrolls in a new term plan with an expiration date later than the current term plan's expiration date. A customer may terminate without penalty at any time and enroll in a networkMCI One term plan.

LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.6.3 networkMCI One Term Plan 1/

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The networkMCI One Term plan is a term plan, in lieu of all other tariffed Local Exchange Service term plans. Customers who subscribe to facilities based Local Exchange Service offered by the company through the networkMCI One Term Plan are subject to the terms and conditions set forth in MCI Telecommunications F.C.C. Tariff No. 1, section C-3.4.1.4.2, and this tariff. Customers who enroll in this term plan must have their facilities based MCI Local Exchange service usage billed to a single networkMCI One invoice.

Customers subscribing to this term plan will receive discounts as set forth in MCI Telecommunications Corporation F.C.C. Tariff No. 1, section C-3.4.1.4.2 in lieu of all other discounts or promotions, unless the promotion specifies otherwise. The discounts will be applied to the following recurring charges: Local Line, Local Trunk-Basic, DID/ 2 Way Direct numbering charges, Local Trunk-DID, Local Trunk - 2 Way Direct, Local ISDN - PRI, as well as local service usage charges.

Customers enrolled in Special Customer Arrangements or offered by company or MCI Telecommunications Corporation are not eligible for the benefits of this term plan.

1/ Beginning December 19, 1998, this plan will no longer be available to new subscribers.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.6.4 On-Net Term Plan

The On-Net Term Plan is a term plan, in lieu of all other tariffed Local Exchange Service term plans. Customers who subscribe to facilities based Local Exchange Service offered by the Company through the On-Net Term Plan are subject to the terms and conditions set forth in MCI Telecommunications F.C.C Tariff No. 1, section C-3.464, and this tariff. Customers who enroll in this term plan must have their facilities based MCI Local Exchange service usage billed to a single On-Net invoice.

Customers subscribing to this term plan will receive discounts as set forth below, in lieu of all other tariffed term plans. The discounts will be applied to the following recurring charges: Local Line Charge, Local Trunk-Basic Charge, Local Trunk-DID Charge, Local Trunk-2 Way Direct Charge, DID/2 Way Direct Number Charges, Local ISDN-PRI Local Service Configuration Charge, Local ISDN-PRI B Channel Service Charge as well as local service usage charges.

Discounts: Customers will receive the following discounts applied to Eligible Volume charges and usage.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.6.4 On-Net Term Plan

<u>Term Commitment/Discount</u>					
<u>Volume Commitment</u>	<u>1 year</u>	<u>2 years</u>	<u>3 years</u>	<u>4 years</u>	<u>5 years</u>
\$ 100 /month	5.0%	8.0%	11.0%	14.0%	17.0%
250 /month	5.0	8.0	11.0	14.0	17.0
500 /month	5.0	8.0	11.0	14.0	17.0
1,000 /month	10.0	13.0	16.0	19.0	22.0
2,000 /month	10.0	13.0	16.0	19.0	22.0
3,000 /month	10.0	13.0	16.0	19.0	22.0
4,000 /month	10.0	13.0	16.0	19.0	22.0
5,000 /month	12.0	15.0	18.0	21.0	24.0
7,000 /month	12.0	15.0	18.0	21.0	24.0
120,000 /annual	14.0	17.0	20.0	23.0	26.0
180,000/annual	14.0	17.0	20.0	23.0	26.0
300,000 /annual	16.0	19.0	22.0	25.0	28.0
600,000 /annual	18.0	21.0	24.0	27.0	30.0

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.10 Local On-Net Term Plan

The Local On-Net Term Plan is a term plan, in lieu of all other tariffed term plans, available to facilities based standalone local exchange service customers. Customers who subscribe to Local On-Net Term Plan are subject to the following conditions:

Definition of Terms:

Qualifying Volume is the customer's total monthly recurring charges and usage of the following, after the application of promotional and other discounts: Local Line Charge, Local Trunk-Basic Charge, Local Trunk-DID Charge, Local Trunk-2 Way Direct Charge, DID/2 Way Direct Number Charges, Standard and Optional Features, Local ISDN-PRI Local Service Configuration Charge, Local ISDN-PRI B Channel Service Charge, and Local ISDN-PRI Optional Features as well as local service usage charges. Charges for the following are not included as Qualifying Volume and are not calculated in satisfaction of the Local On-Net Term Plan volume commitment: Non-Recurring charges for Local Line, Local Trunk-Basic, Local Trunk-DID, Local Trunk-2 Way Direct, and Local ISDN-PRI; non-recurring for Local ISDN-PRI Optional Features; Directory Assistance usage; non-recurring and recurring charges for Directory Listings; Operator Assisted Surcharges (including Busy Line Verification and Busy Line Interrupt), and taxes.

Eligible Volume is the customer's total monthly recurring charges and usage of the following, after the application of promotional and other discounts: Local Line Charge, Local Trunk-Basic Charge, Local Trunk-DID Charge, Local Trunk-2 Way Direct Charge, DID/2 Way Direct Number Charges, Local ISDN-PRI Local Service Configuration Charge, Local ISDN-PRI B Channel Service Charge as well as local service usage charges. Charges for the following are not included as Eligible Volume and will

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.10 Local On-Net Term Plan

not receive Local On-Net Term Plan volume discounts: Non-Recurring charges for Local Line, Local Trunk-Basic, Local Trunk-DID, Local Trunk-2 Way Direct, and Local ISDN-PRI; recurring and non-recurring charges for Standard and Optional Features; non-recurring and recurring charges for Local ISDN-PRI Optional Features; Directory Assistance usage; non-recurring and recurring charges for Directory Listings; Operator Assisted Surcharges (including Busy Line Verification and Busy Line Interrupt), and taxes.

Term Commitment and Renewal Options: A customer must commit to service for a term of either one, two, three, four, or five years. The term of service will commence no earlier than the first day of the next billing month in which the customer subscribes to the plan. A plan will automatically renew for an equivalent term and volume commitment upon expiration of its term unless the customer provides written notification to cancel the Local On-Net Term Plan, which must be received by the Company no more than 30 days after expiration of the existing term. If the customer cancels the existing term plan within 30 days after expiration of the existing term, the customer will receive the discounts for which the customer qualifies during the 30-day period following the expiration of the existing term of service.

Volume commitment: A customer may elect a Local On-Net Term Plan monthly volume commitment of one of the following amounts, calculated after the application of promotional and other discounts: \$100; \$250; \$500; \$1,000; \$2,000; \$3,000; \$4,000; \$5,000; \$7,000, or an annual volume commitment of one of the following

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.10 Local On-Net Term Plan (Cont.)

amounts, calculated after the application of promotional and other discounts: \$120,000; \$180,000; \$300,000; \$600,000. The customer's volume commitment will be based upon the customer's Qualifying Volume. At any time during the term of service, a customer may elect a higher equivalent annualized volume commitment. If a customer so elects, the term of service expiration date will not change. The new volume commitment will apply beginning in the following month for monthly commitments and as of the beginning of the commitment year in which the the new volume commitment is elected for annual commitments. The discounts associated with the new commitment volume level apply to charges and usage only from the new election date forward.

Underutilization Charges: If at the end of any year of the term of service, a customer fails to satisfy its annual volume commitment, the customer must pay the difference between the customer's actual Qualifying Volume in that year and the annual volume commitment. If at the end of any month of the term of service, a customer fails to satisfy its monthly volume commitment, the customer must pay the difference between the customer's actual Qualifying Volume in that month and the monthly volume commitment.

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LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.10 Local On-Net Term Plan (Cont.)

Early Termination Charges:

Cancellation of Discontinuance without Liability: If: (i) the customer's use of Local Exchange Service under a Local On-Net Term Plan equals or exceeds the Customer's equivalent annualized minimum volume commitment or monthly volume commitment and (ii) at the time of termination the customer is enrolled in a new Local On-Net Term Plan with a volume commitment which equals or exceeds the Customer's existing volume commitment, the customer may terminate service under Term Plan without liability as follows: (i) the customer may terminate service at any time during the last three months of the term of service if the customer's Local On-Net Term Plan's term commitment is one year; or (ii) the customer may terminate service at any time during the last six months of the term of service if the customer's new Local On-Net Term Plan's term commitment is equal to or greater than two years.

Cancellation or Discontinuance with Liability:  
Discontinuance of all services furnished under the Local On-Net Term Plan prior to the expiration of the committed term of service constitutes discontinuance of the plan and the customer will be billed and required to pay an early termination charge equal to the Underutilization Charge for the year of termination plus 50% of all of each annual or monthly volume commitment for each year remaining in the unfulfilled term of service.

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Issued: November 19, 1998

Effective: December 19, 1998

Julie L. Davis  
Tariff Manager  
780 Johnson Ferry Road, Suite 700  
Atlanta, GA 30342

LOCAL EXCHANGE SERVICE

3. Service Descriptions (Cont'd)

3.1 Local Exchange Service (Cont'd)

3.1.6 Term Plans (Cont.)

3.1.10 Local On-Net Term Plan (Cont.)

Discounts: Customers will receive the following discounts applied to  
Eligible Volume charges and usage.

<u>Volume Commitment</u>	<u>Term Commitment/Discount</u>				
	<u>1 year</u>	<u>2 years</u>	<u>3 years</u>	<u>4 years</u>	<u>5 years</u>
\$ 100 /month	0.0%	3.0%	6.0%	9.0%	12.0%
250 /month	0.0	3.0	6.0	9.0	12.0
500 /month	0.0	3.0	6.0	9.0	12.0
1,000 /month	5.0	8.0	11.0	14.0	17.0
2,000 /month	5.0	8.0	11.0	14.0	7.0
3,000 /month	5.0	8.0	11.0	14.0	17.0
4,000 /month	5.0	8.0	11.0	14.0	17.0
5,000 /month	7.0	10.0	13.0	16.0	19.0
7,000 /month	7.0	10.0	13.0	16.0	19.0
120,000 /annual	9.0	2.0	15.0	18.0	21.0
180,000 /annual	9.0	12.0	15.0	18.0	21.0
300,000 /annual	11.0	14.0	17.0	20.0	23.0
600,000 /annual	13.0	16.0	19.0	22.0	25.0

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SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.12 ALLOWANCES FOR INTERRUPTIONS OF SERVICE, Cont'd.

2.12.3 Use of Alternative Service Provided by the Company - Should the Customer elect to use an alternative service provided by the Company during the period that a service is interrupted, the Customer must pay the tarified rates and charges for the alternative service used.

2.13 CANCELLATION OF SERVICE

2.13.1 Cancellation of Application for Service

- (A) Applications for service are non-cancelable unless the Company otherwise agrees. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.
- (B) Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.
- (C) The special charges described in 2.13.1.(A) and 2.13.1.(B) will be calculated and applied on a case-by-case basis.

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Issued By: Carolyn Marek, Vice President Regulatory Affairs, Southeast Region  
P.O. Box 210706  
Nashville, TN 37221-0706



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SECTION 2 - RULES AND REGULATIONS, CONT'D.

2.13 CANCELLATION OF SERVICE, Cont'd.

2.13.2 Cancellation of Service by Customer

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption (as defined in 2.12.1 above), Customer agrees to pay to Company following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.11.2, all costs, fees and expenses reasonably incurred in connection with:

- (a) All nonrecurring charges reasonably expended by Company to establish service to Customer, plus
- (b) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus
- (c) all recurring charges specified in the applicable Service Order tariff for the balance of the then current term.

2.14 TRANSFER AND ASSIGNMENTS

The Customer may not assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the Company.

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P.O. Box 210706  
Nashville, TN 37221-0706



LOCAL EXCHANGE SERVICES

T.R.A. NO. 1

ISSUED: April 14, 1998

EFFECTIVE: May 14, 1998

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2. Regulations (Cont'd)

2.6 Allowances for Interruptions of Service (Cont'd)

2.6.3 Use of Alternative Service Provided by the Company: Should the Customer elect to use an alternative service provided by the Company during the period that a service is interrupted, the Customer must pay the tariffed rates and charges for the alternative service used.

2.7 Cancellation of Service

2.7.1. Cancellation of Application for Service

2.7.1.1 Applications for service are non-cancelable unless the Company otherwise agrees. Where the Company permits Customer to cancel an application for service prior to the start of service or prior to any special construction, no charges will be imposed except for those specified below.

2.7.1.2 Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.

2.7.1.3 The special charges described in 2.7.1.1. and 2.7.1.2 will be calculated and applied on a case-by-case basis.



LOCAL EXCHANGE SERVICES

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ISSUED: April 14, 1998

EFFECTIVE: May 14, 1998

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2. Regulations (Cont'd)

2.7 Cancellation of Service (Cont'd)

2.7.2 Cancellation of Service by the Customer

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason whatsoever other than a service interruption ("s defined in 2.6.1 above), Customer agrees to pay to Company following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.5.2: all costs, fees and expenses reasonably incurred in connection with

- (1) All Non-Recurring Charges reasonably expended by Company to establish service to Customer, plus
- (2) any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus
- (3) all Recurring Charges specified in the applicable Service Order tariff for the balance of the then current term.

2.8 Transfer and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company.

2.9 Notices and Communications

The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.

## CERTIFICATE OF SERVICE

I hereby certify that on August 16, 1999, a copy of the foregoing document was served on the parties of record, via the method indicated:

☒ Hand  
☐ Mail  
☐ Facsimile  
☐ Overnight

Richard Collier, Esquire  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0500

☒ Hand  
☐ Mail  
☐ Facsimile  
☐ Overnight

Henry Walker, Esquire  
Boult, Cummings, et al.  
414 Union Ave., #1600  
P. O. Box 198062  
Nashville, TN 39219-8062

☒ Hand  
☐ Mail  
☐ Facsimile  
☐ Overnight

Jon Hastings, Esquire  
Boult, Cummings, et al.  
414 Union St., #1600  
Nashville, TN 37219

☒ Hand  
☐ Mail  
☐ Facsimile  
☐ Overnight

Charles B. Welch, Esquire  
Farris, Mathews, et al.  
511 Union St., #2400  
Nashville, TN 37219

☐ Hand  
☒ Mail  
☐ Facsimile  
☐ Overnight

James Lamoureux, Esquire  
AT&T  
1200 Peachtree St., NE  
Atlanta, GA 30309

☒ Hand  
☐ Mail  
☐ Facsimile  
☐ Overnight

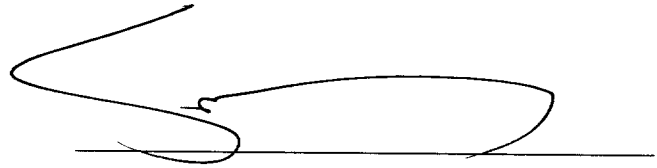
Vance Broemel, Esquire  
Consumer Advocate Division  
426 5th Avenue, N., 2nd Floor  
Nashville, TN 37243

☐ Hand  
☒ Mail  
☐ Facsimile  
☐ Overnight

Carolyn Tatum Roddy, Esquire  
Sprint Communications Co., L.P.  
3100 Cumberland Circle, N0802  
Atlanta, GA 30339

- ☒ Hand
- ☐ Mail
- ☐ Facsimile
- ☐ Overnight

Val Sanford, Esquire  
Gullett, Sanford, et al.  
230 4<sup>th</sup> Ave., N., 3<sup>rd</sup> Fl.  
P. O. Box 198888  
Nashville, TN 37219-8888

A handwritten signature in black ink, appearing to be "Val Sanford", written over a horizontal line.